Blanket Purchase Agreements

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Blanket Purchase Agreements

Overview

- Governing Directives
- Description
- When should BPAs be Established
- BPA Preparation
- BPA Purchases
- Decentralized BPAs
- Summary

Blanket Purchase Agreements

Governing Directives

- FAR 13.303
- DFARS 213.303
- AFFARS Appendix CC
- AFFARS Informational Guidance (IG) IG5313

Blanket Purchase Agreements

Description

A blanket purchase agreement (BPA) is a simplified method of filling anticipated repetitive needs for supplies or services by establishing "charge accounts" with qualified sources of supply.

A BPA is not a contract.

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Establishing BPAs

- Wide variety of supplies/services that are generally purchased, but exact items, quantities, and delivery requirements are not known in advance and may vary considerably.
- Need to provide commercial sources of supply for offices or projects that do not have or need authority to purchase otherwise.
- BPA will preclude the need to write numerous purchase orders
- No existing requirements contracts for the same supply/service that the contracting activity is required to use

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Establishing BPAs

- Anticipated Requirements During Deployments
  - Potable Water
  - Building/Construction Supplies
  - Vehicle Parts
  - Office Supplies
  - Portable Latrines
  - Lodging
  - Vehicle Rentals
  - Transportation Services

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Establishing BPAs

- Establish Parameters
  - Specific Items
  - Group/Class of Items
- Consider Vendor Performance
  - Previous Performance
    - Dependability
    - History of Favorable Prices
  - Expedited Assessment of Capabilities/Reliability

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Establishing BPAs

- Establish BPAs with
  - More than one contractor when practicable (Preferred)
  - Single contractor
  - Federal Supply Schedule (FSS) contractors
- Consider Decentralization
  - Decentralized BPAs must be pre-priced (AFFARS, Appendix CC, CC-502-2(c)(1))

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BPA Preparation

- Forms - SF 1449 (FAR 13.303-3, 13.307)
- Terms and Conditions
  - Description of agreement:
    - Supplies/Services
    - As Requested by CO/Authorized Representative
    - Within Time Period/Aggregate Amount of BPA
  - Extent of Obligation - Authorized calls actually made
  - Purchase limitation - $ limit of individual purchases
  - Individuals authorized to purchase
    - Position Title/Name
    - $ limitation

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BPA Preparation

- Terms and Conditions (continued)
  - Delivery Tickets/Sales Slip
    - Name of supplier.
    - BPA number.
    - Date of purchase.
    - Purchase/call number.
    - Itemized list of supplies or services furnished.
    - Quantity, unit price, and item extension, less discounts
    - Date of delivery or shipment.

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BPA Preparation

- Terms and Conditions (continued)
  - Invoices - Include one of the following:
    - Summary invoice with supporting delivery tickets
      - Monthly
      - Expiration of BPA
    - Monthly itemized invoice without delivery tickets
    - Individual invoices for each delivery or service
      - Accumulated for consolidated payment
      - Discount period commences on last date of billing period
    - Subscription invoices
      - Must reflect start and end dates of subscription period
      - Effective upon issuance of invoice or receipt of payment

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BPA Preparation

- Clauses
  - Mandatory
  - Optional
  - Applicable to supply/service
  - Commercial
  - Dollar thresholds apply to individual call
- Statement of Work

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BPA Preparation

- Prices
  - Firm unit pricing
  - Negotiated by CO or;
  - Contractor price list approved by CO
  - Requiring activities not to solicit/negotiate prices
  - Unpriced items referred to CO

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BPA Purchases

- Purchases must be allowable under law or regulation
- Maximum practicable competition
- Purchases must not exceed SAT except for
  - Subsistence - any dollar value (DFARS 213.305)
  - Commercial supplies/services (FAR 13.5 Test Program Expires 1 Jan 06)
- Essential documentation only

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Purchases

- Payments
  - Evidence of Obligation - Call Register
    - Submitted to finance at close of billing cycle, but NLT monthly
  - Receiving Report
  - Valid Invoice

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BPA Review

- Minimum annual review of ***sufficient sample*** of:
  - Calls placed by CO
  - Calls placed by individual authorized to make calls
- CO that entered into BPA shall
  - Review BPA annually and update as required
    - Determine continued need
    - Evaluate performance of decentralized activities
    - Evaluate performance of vendor
    - Assess market
      - Determine availability of competition
      - Evaluate pricing
-

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Decentralization

- Why decentralize?
  - Free up the CCO
  - Satisfy recurring needs of function activities
  - Pre-approved firm unit prices
  - BPA Preparation

- CO still needs to provide training

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Suggested Training Outline

- Definition
- Appointment Process/Limitations of Authority
- Authorized Purchases
- Unauthorized Purchases
- Funding
- Receiving Purchase Requests
- Pricing and Making Purchases
- Maintaining Call Registers and Other Documentation
- Termination of Appointment
- Ethics

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Decentralized BPA

- NTE Maximum Order limit of BPA
- Vendor must invoice
- May not be widely accepted
- Prepriced
- Clauses Already Included
- Can support more technical requirements

SF 44 Ordering Officer

- NTE $2.5K
- Immediate Payment/ Invoice
- Acceptance Tied to Payment Method
- Not Prepriced
- No Clauses
- Simple

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